

*Background
HTA*

Summary of Telephone Conversation Between
HTA and Mr. John F. Kraft, New York City,
Friday morning, June 2, 1967 - 11:45 a.m.

Re: Cigarette Testing

Referring to Mr. Kraft's earlier telephone discussion with HTA, Mr. Kraft stated that one of the difficulties with the material they have is the fact that the age groups do not quite conform, theirs being 15 to 19 and another group 18 to 21. If they are to take the 16 to 18 group they would be dealing with approximately 7 to 10% of the total sample which would give them between 200 and 250 people in that age group. By going to a 4000 sample would bring it up to 400 or about 50%, plus or minus a 5% error. If the percentage of cognizance of a subsample of 400 were higher, say 80%, then the distribution around the result would be tighter. Mr. Kraft said they might have to run a whole new sample, but that he had not as yet had a chance to talk to the sampling people; that they might have to go to another 25 people; that they would not do the interview if it did not fit all categories.

Mr. Austern stated he wasn't clear on just who they would interview, that they didn't want proxy reports. Mr. Kraft stated the interviewer would have a list in front of her for a particular household and the first question would be, what people are there here 16 years of age and over and then she checks this off in the order on the sheet; if the people in the household she desires to interview aren't at home, she asks to be called and returns when they are at home; that their reports would definitely not be proxy reports; further, that they interview only one person per household.

Mr. Kraft stated as to the degree of cognizance, they had yet to find someone who wasn't aware. He said they had been talking about 2500 but he would make an amendment for added security and raise the sample to 3000 but definitely would not go to 4000; that if a sample of 400 showed up 96% they could afford to so state, that at least their statistician says they could.

As to the questionnaire, Mr. Kraft said he and "Fran" would both be working on it; that they are presently both working on their own outlines and will then get together on it; that he is anxious to get the design worked out and get his people going on it; that there is some "cleaning up" of the sample to be done.

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Further, that they are double-checking to make sure that this national sample is good and pure and clean.

Mr. Kraft stated that they do have the demographic characteristics; that they had not used this particular sample in over a year and there could be, for example, 4 or 5 points where the characteristics could be different; that they must find out first if there is any change.

Mr. Kraft agreed that the key demographic comparison to be watched closely was the distribution of male and female and additionally, the 16 to 18 year age bracket.

Mr. Kraft stated his company would not require a formal contract between the parties for this work; that he would follow Mr. Austern's request to state that the survey was being done for tobacco company counsel; that the working papers or project numbers would not be identified with the name of the Tobacco Institute. Mr. Kraft said the estimate of \$30,000 broken down would be \$10,000 now; another \$10,000 when they start the interviewing, and another \$10,000 (plus or minus a few thousand) following delivery of the final story. He stated he would bill C&B shortly for the first \$10,000 and payment should be made to John F. Kraft, Inc., 527 Madison Avenue, New York, New York - telephone 759-2810. Mr. Austern said he would get out a check in the next few days.